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TREASURY FOR OASIA FRANKFURT FOR TREASURY JIM WALLAR

E.O. 12958: DECL: 05/16/2015
TAGS: <u>EFIN KNAR PGOV PHUM PL BE BO EZ HU IS UP WJRO</u>
SUBJECT: HOLOCAUST ISSUES SPECIAL ENVOY EDWARD O'DONNELL IN POLAND: HOLOCAUST EDUCATION TASK FORCE AND RESTITUTION CENTER OF DISCUSSION

REF: A. 2004 WARSAW 5224 ¶B. WARSAW 2061 ¶C. WARSAW 1928

Classified By: Charge Cameron Munter. Reasons: 1.5 (B) and (D).

- 11. (SBU) SUMMARY: During his May 4-7 visit to Poland Special Envoy for Holocaust Issues Ambassador Edward O'Donnell discussed with key Polish officials and leaders of the Jewish community Poland's ChairmRmQqMQnd plans for the Museum of the History of Polish Jews (MHPJ). ITC discussions centered on the question of expanding membership (especially to Ukraine), disputes over International Tracing Service records (ITS) and the selection of the next chair. Regarding private property restitution legislation, O'Donnell emphasized the need for fair and equal treatment of U.S. citizen owners and the need to consult with NGOs representing U.S. citizen claimants, especially the World Jewish Restitution Organization (WJRO). The Polish side expressed openness to consult with NGOs (including the WJRO), explained the likely Sejm timetable for the legislation that foresees passage in late August and noted that provisions for in rem restitution will be considered in the sub-committee working on the bill. Jewish community leaders noted that communal property restitution continues at a slow pace, with better progress in Warsaw and Lodz, and presented their position on the controversy surrounding the Poznan Synagogue. Discussions on MPHJ centered on a recent visit by U.S. Members of Congress regarding the museum and a presentation of the museum project. End Summary.
- 12. (U) During his Warsaw visit, on May 4 O'Donnell met with:
- a. Jewish Community: Andrzej Zozula, Deputy Chairman, Union of Jewish Religious Communities in Poland (ZGZ); Michael Schudrich, Chief Rabbi of Poland.
- b. Ministry of Foreign Affairs: Ireneusz Kotarski, Advisor to the Minister; Karel Francapane, ITC staffer.
- c. Polish Parliament (Sejm): Kazimierz Marcinkiewicz, Chairman, Committee on State Treasury.
- d. Museum of the History of Polish Jews (meeting on May 6): Jerzy Halbersztadt, Project Director; Ewa Junczyk-Ziomecka, Director for Development; Agnieszka Rudnicka, Deputy Director for Development.
- O'Donnell also took part in the March of the Living at the site of the Auschwitz-Birkenau Death Camp on May 5 and attended a Shabbat dinner sponsored by the U.S. Anti-Defamation League in Warsaw on May 6.

International Holocaust Education Task Force

- 13. (SBU) The dominant point of discussion on ITC was the question of adding new members. Kotarski explained that Poland "wants to enlarge ITC as much as possible," especially in regard to countries that were once in the USSR, especially Ukraine and Belarus (Ref A). While Poland wants to invite Ukraine to join soon, membership for Belarus under the Lukashenko regime Kotartski mused, despite cooperation between Polish and Belarusian NGOs on Holocaust education, would be very unlikely. Francapane noted that both Slovakia and Croatia had declared their interest in membership, but had not yet taken concrete steps in this direction. O'Donnell stated that the Croatian Minister of Education had confirmed Croatian interest to him. O'Donnell added that Belgium was also a candidate and was taking steps to meet the membership requirements.
- 14. (C) Francapane pointed out that there was a discussion in the ITC as to what position to take on new members. He said that the Israeli government, in particular key Israeli MFA official Nimrod Barkan, strongly supported raising the bar for membership. Barkan told Fracapane that the ITC should "not be seen as a respectable club that diplomats just try to get into for political reasons" but as a group of countries truly dedicated to excellence in Holocaust education.

O'Donnell responded that at some point there would be a limit to growth, as it was difficult to imagine that all 55 members of the OSCE would become members of the ITC. Kotarski agreed, in theory, that at some point membership may need to

be limited, but added that this time was far in the future.

- 15. (C) Turning to the discussion of access to records held by the International Tracing Service (ITS), Francapane stated that the French government would put forward a compromise proposal that would lead to full access and copying of ITS documents. He added, and O'Donnell agreed, that the German position against calls for increased access was unhelpful. Francapane urged that the time to reach an agreement was now, before the upcoming meeting on ITS in Rome.
- 16. (C) Fracapane stated that the main candidates to succeed Poland as ITC chair were Hungary, the Czech Republic and possibly Israel. He declared that Hungary was not the best candidate due to lack of progress on certain aspects of Holocaust Education and the minute role of the Hungarian MFA in Holocaust Education. He added, however, that the Hungary was actively pursuing the chairmanship. Francapne believed that the Czech Republic would be a better candidate, a position that Kotarski supported noting the Czech Republic's good contacts with Ukrainian NGOs, but the Czechs need to energize their campaign. Fracapane added that he had received a signal from Israel that it was considering making a run for the chairmanship. O'Donnell replied that the U.S. had not yet taken a position on the next chair and noted that we were unaware of Israeli interest in the chairmanship.

Private Property Restitution

- 17. (SBU) O'Donnell emphasized to Marcinkiewicz, whose Sejm committee is now working on legislation that would provide 15 percent cash compensation for nationalized property (Ref B), that the U.S. supports equal and fair treatment of U.S. citizen owners who had their property nationalized. O'Donnell stressed the need for consultations with NGOs that represent U.S. citizen owners, notably the WJRO. He added that the WJRO has been critical of the legislation in the Sejm because it contains no provision for in rem restitution and it believes the 15 percent amount to be too low. He explained that while the U.S. does not support a specific rate of compensation, it is important that this rate be large enough to bring closure to the private property issue.
- 18. (SBU) Marcinkiewicz responded that he had met with the WJRO in the past and was open to further consultations with them. He emphasized, however, that the WJRO and other U.S. NGOs should also present their concerns to the Democratic Left Alliance (SLD), which remained the largest Sejm parliamentary club and could play a key role in supporting the changes the WRJO wants (especially in rem restitution). Marcinkiewicz informed that his committee had just completed forming a sub-committee, chaired by Law and Justice (PiS) MP Marek Suski, that would work on the private property bill and a bill providing compensation to "Easterners" (i.e. Polish citizens who lost property when Poland's eastern border was moved west at the end of World War II). He expected the sub-committee to finish its work by mid-June, after which the Sejm would vote on the modified bills and they would be sent for Senate approval. Barring a rejection by the Sejm or floor amendments, Marcinkiewicz predicted that the final Sejm vote would take place in August, which would allow President Kwasniewski to sign the bill into law before September/October parliamentary elections. Marcinkiewicz predicted that some of the modifications being considered in the bill, such as the possibility of limited in rem restitution, could generate significant controversy in the Sejm.
- 19. (C) O'Donnell expressed satisfaction that limited in rem would be considered, as this is the top issue for the WJRO. He added that consideration of a higher rate of compensation would also be good news. He further informed that, according to State Department records, the 1960 compensation agreement between the U.S. and Poland provided compensation at a rate of approximately 30 percent for U.S. citizens who had been owners at the time of nationalization. O'Donnell emphasized that this was a point of information, not a U.S. suggestion as to what the rate should be in the Polish law. Marcinkiewicz responded that while he could not make firm promises, his committee was examining closely the Finance Ministry's estimates on resources for compensation and expected "that as usual Finance took a pessimistic view," which would allow the Sejm to consider a rate above 15 percent.
- 110. (C) Zozula and Schudrich (protect both) described the compensation bill as "something that no one is happy with." While noting that the ZGZ took no official position on private property restitution, Zozula stated that 15 percent compensation was so low that it satisfied no one. It was his

understanding that there is a rough consensus among organizations representing former owners that a compensation rate of 50 percent was the minimum that they would be willing to consider. O'Donnell asked about recent press reports on an Israeli government report estimating the value of former Jewish private property in Poland to be USD 36 billion. Zozula said that this number was "so fantastic that no one took it seriously."

Communal Property Restitution

- 111. (SBU) Zozula and Schudrich informed that communal property restitution continued, but at a slow pace. Giving the GOP the benefit of the doubt, Schudrich stated that the pace of Jewish communal religious property restitution was approximately the same as that of restitution of property to the Catholic Church, although the Catholics started earlier. He added, however, that the situation of Poland's small Jewish community was much different than that of the Catholic Church in Poland, and that the community did not have the financial resources to carry meet its needs furing the time it took for restitution. Zozula summed up the situation stating that "for the Jewish community communal property restitution is perhaps not a question of survival, but a question of financial independence." They both complained that the joint Jewish-community/GOP regulatory commission that decides cases is averse to making unpopular decisions to return property.
- 112. (SBU) Zozula emphasized that the attitude of local government played a significant role in the pace of restitution. He added, "surprisingly we have had more success with cities where the right is in power," and pointed to good cooperation on restitution with Warsaw Mayor Lech Kaczynski and Lodz Mayor Jerzy Kropiwnicki as particular examples. Zozula added that conservative local authorities tended to view communal restitution as a question of carrying out the law, while the post-communist left local officials were more inclined to see it as a question of the loss of real estate and, thereby, a reduction of their power.

Poznan Synagogue

113. (SBU) Schudrich raised the issue of the Poznan Synagogue, which he said was receiving increasing attention in the U.S. He explained that the Jewish Community fully supported the WielkopolQi (Poznan) Governor's recent rejection of a motion to have the synagogue declared a historic building was supported fully by the Jewish community. According to Schudrich, the Nazis, who transformed the building into a swimming pool, had so changed the building that it no longer resembled the original. Historic status would have made it more difficult and expensive for the Poznan Jewish community (to which the synagogue was restituted in 2003) to make any modifications to the building.

Museum of the History of Polish Jews

114. (U) Halbersztadt and Junczyk-Ziomecka showed O'Donnell a slide presentation about MHPJ and noted that approximately a quarter of the permanent exhibit at the museum will be devoted to the Holocaust. They briefed on the recent visit by four U.S. Members of Congress to Poland to discuss the project (Ref C). They noted that the members were preparing a Congressional resolution supporting MHPJ and expressed the hope that USG funding will be provided for MHPJ.

March of the Living

115. (U) On May 5, Ambassadors O'Donnell and Daniel Kurtzer as well as Krakow Consul General Ken Fairfax represented the USG at the March of the Living, an annual event that retraces the "Path of Death" taken by prisoners at the Nazi Auschwitz Death Camp. The march is targeted toward youth and it serves the dual purpose of honoring the victims of the Holocaust and working to prevent genocides by advocating tolerance and

understanding. This year's march was the largest to date, with 21,000 participants, including 7,000 youths from the U.S. and Canada. Polish PM Belka, Israeli PM Sharon and Hungarian PM Gyurcsany were the featured speakers at the march.

Comment

116. (C) O'Donnell's visit was an excellent opportunity to review of our Holocaust issues agenda with Poland and came at a exceptionally appropriate time given progress of private property legislation in the Sejm and Poland's ITC chairmanship. Marcinkiewicz's signal that the Sejm will

consider in rem restitution or an increase in the compensation rate is welcome news. The apparent divergence between Poland and Israel on expanding ITC membership is also noteworthy, as is a somewhat less pessimistic view of communal property restitution by the Jewish community than that which has been presented in the past.

 $\underline{\ }\ 117.$ (U) This cable was cleared by Special Envoy for Holocaust Issues Edward O'Donnell. Ashe

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